



# **AFFORDABLE CARE ACT**

## **2014 MEDICAID EXPANSION OVERVIEW**

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Over 90% of Washington's uninsured under age 65 could *potentially* be eligible for subsidized coverage through Medicaid, the Basic Health Option or a Health Insurance Exchange

It is estimated that 500,000 people could be eligible for Medicaid alone. These consumers will be considered “newly eligible” if their household income is below 133% FPL (138% with a 5% disregard=133%)

A one person household at 133% FPL is \$1,238 per month or \$14,856 annually.

Decisions need to be made on what optional Medicaid programs will continue after 2014

# MEDICAID EXPANSION IMPACTS

**Anticipated enrollment of up to 250,000 Newly Eligible individuals in the first years**

- Age 19 – 64 who are not eligible for a current Medicaid program, not entitled to Medicare and have income under 133% FPL (138% with a 5% disregard=133%) A one person household at 133% FPL is \$1238/month. This will include individuals currently on the Medical Care Services program or Basic Health.
- The State will receive 100% federal match for the first three years (2014-2016). Beginning in 2017, the match rates are as follows:
  - 2017 95%
  - 2018 94%
  - 2019 93%
  - 2020+ 90%

# MEDICAID EXPANSION IMPACTS

- **Anticipated enrollment of up to 75,000 “Welcome Mat” individuals in the first years**
  - Currently eligible for Medicaid but not enrolled
    - Will receive the current FMAP rate for these individuals
  
- **Conversion of up to 800,000 current Medicaid/CHIP Recipients**
  - Children (Apple Health for Kids),
  - Pregnant women
  - Families
  
  - Will receive the current FMAP rate for these individuals

# MODIFIED ADJUSTED GROSS INCOME (MAGI)

- Streamlines income eligibility by consolidating 8 existing Medicaid coverage groups into 3:
  - Children
  - Pregnant women
  - Families (Parents/Caretaker relatives)
- Requires adoption of MAGI methodology for determining eligibility. This methodology mirrors federal tax filing income and household composition rules
- Replaces multiple income disregards with one 5% disregard for all programs
- No asset/resource limit
  - *The following groups will remain receiving “classic Medicaid” and will not have any changes in eligibility in 2014:*
    - *Aged, Blind or Disabled Individuals*
    - *Foster Care Children*
    - *SSI Cash Recipients*

# ADMINISTRATIVE SIMPLIFICATION

## Medicaid Expansion under ACA will allow for:

- Electronic data matching, which will streamline eligibility
- Data matching provides the state with the opportunity to create a new “consumer friendly” eligibility determination experience to meet federal expectations and to maximize administrative efficiencies



# SIMPLE & STREAMLINED APPLICATION PROCESS OVERVIEW



- Consumers can complete a simple and streamlined application online or
- Applications may be submitted by phone, mail or walk-in

# APPLICATION – BEHIND THE SCENES

Application enters through the Exchange web portal regardless of how it is submitted (phone, mail, walk-in or online)

Household information is data matched against:

- SSA
- IRS (Federal Data Hub)
- Employment Security
- PARIS
- TALX
- Other



PURPOSE - determine household's Modified Adjusted Gross Income

GOALS - real time eligibility determination, consumer friendly and decisions made within 15-20 minutes



# DATA MATCH IS COMPLETE – IS IT CORRECT?



Information comes back to the consumer displayed on the screen for confirmation – Is this correct?

- If correct – consumer clicks “yes”
- If incorrect – consumer clicks “no”

# IF “YES” AND UNDER 133% FPL

Consumer is:

- Now Medicaid eligible
- Advised they are Medicaid eligible
- Ready to be enrolled in a managed care plan
- Eligible back to the first of the month they applied

Consumer receives a notification of approval

# IF “NO”

Consumer is asked to provide current household income

We call this “*self-attestation*”

- If self-attestation of income is under 133% FPL
  - Medicaid is approved
- If self-attestation of income is over 133% FPL
  - Consumer is cycled back through the Exchange for an advanced premium tax credit subsidy determination
  - Exchange rules now apply related to income verification

# DID THE CONSUMER ENTER THE CORRECT BUCKET?



From an eligibility quality assurance perspective:

- We must ensure the eligibility determination for Medicaid, CHIP, and BH option is correct. This will be completed by using a very robust “post-Medicaid eligibility” data matching and audit process.

“Reasonable Compatibility” will aid in determining which cases should be selected for a post-audit review:

- Current income data matches will be compared to the consumers self-attested income.



To date, a great deal of work has been done, but still more is needed to reach our January 1, 2014 implementation goal.

Our runway gets shorter every day.....

# IMPLEMENTATION STEPS FOR EXPANSION





# POLICY RECOMMENDATIONS UNDER DEVELOPMENT

## MAGI

- Conversion
- Methodology

## Eligibility

- Simplified Application
- Renewal Process
- Change of Circumstances
- Presumptive Eligibility for Hospitals
- Newly Eligible Targeted Enrollment
- CHIP Expansion

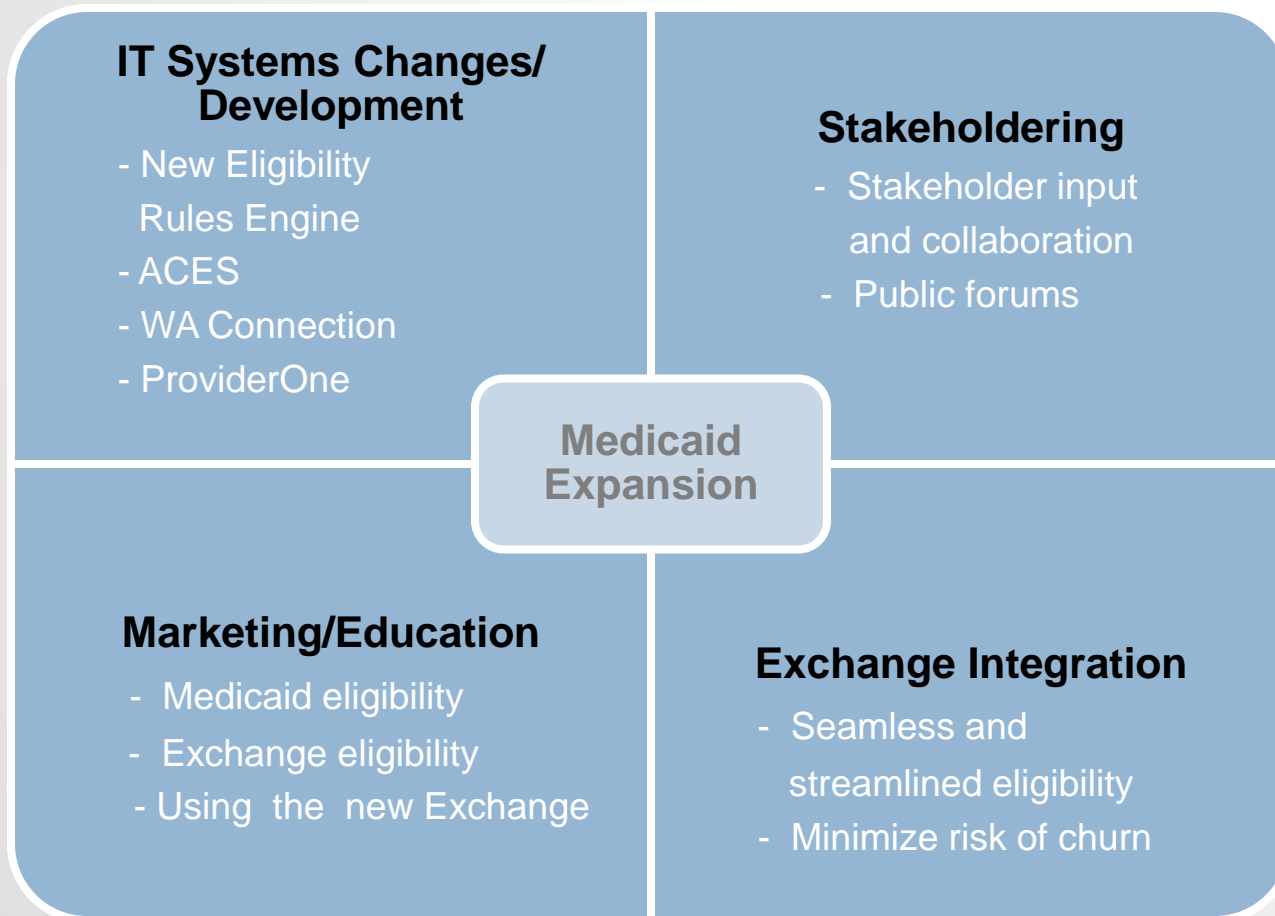
## Exchange

- Recipient Conversion to Exchange
- Redetermination/Churn

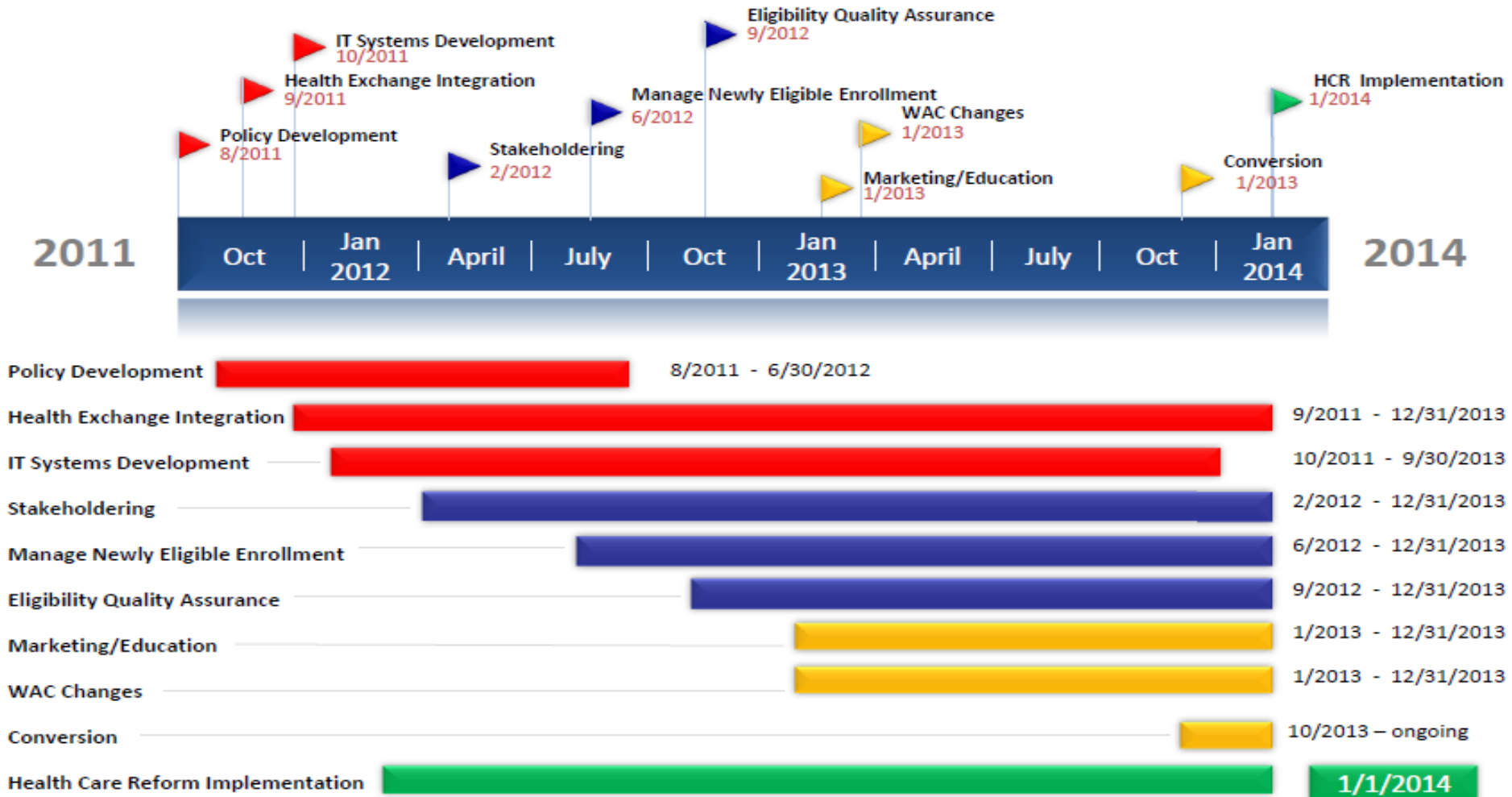
## Eligibility Quality Assurance

- Reasonable Compatibility
- Overpayments/Fraud
- Administrative Fair Hearings

# OTHER COORDINATION



# Health Care Reform Medicaid Expansion



# MEDICAID EXPANSION

Please visit the Medicaid Expansion 2014 website at <http://www.hca.wa.gov/hcr/me> which includes the following information:

- Policy Options
- Timeline
- Public Comment
- Frequently Asked Questions
- Implementation Plan

Questions and comments about Medicaid Expansion 2014 can be sent to:

[medicaidexpansion2014@hca.wa.gov](mailto:medicaidexpansion2014@hca.wa.gov)